SENATE COMMITTEE ON APPROPRIATIONS
Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1710 (Carrillo) - Permit Streamlining Act: housing development projects: conformity with ordinances and standards

Version: July 2, 2026
Urgency: No
Hearing Date: August 3, 2026

Policy Vote: HOUSING 9-0, L.GOV. 7-0
Mandate: Yes
Consultant: Mark McKenzie

Bill Summary: AB 1710 would extend the "reasonable person" standard, as specified, to public agency determinations of whether a housing development project or emergency shelter is consistent, compliant, and in conformity with applicable plans, policies, and ordinances for purposes of the Permit Streamlining Act (PSA).

Fiscal Impact:
- The Department of Housing and Community Development (HCD) estimates that any workload costs for increased requests for technical assistance would be minor and absorbable. (General Fund)

- Unknown potential court cost pressures for new workload to adjudicate additional cases that may be filed by developers to compel public agencies to approve applications under a reasonable person standard. The number of cases that would be filed statewide as a result of the bill are unknown. Staff notes that it generally costs about $10,500 to operate a courtroom for one eight-hour day. Although courts are not funded on the basis of workload, increased staff time and resources may create a need for additional support from the General Fund to support court operations. The 2026-27 Budget includes $70 million in ongoing support from the General Fund to backfill the current fund imbalance in the Trial Court Trust Fund and help pay for court operations. (Trial Court Trust Fund, General Fund)

- Unknown, potentially significant costs in the aggregate, for state entities' legal costs, to the extent the bill results in additional litigation by developers to compel public agency approval of permit applications under a reasonable person standard. State entities subject to the bill include the California Coastal Commission, the San Francisco Bay Conservation and Development Commission, and the State Water Board, among others. (General Fund, various special funds)

- Any local costs resulting from this bill are not state-reimbursable because local agencies have general authority to charge and adjust planning and permitting fees to offset any increased local costs associated with the bill. (local funds)

Background: Under the Housing Accountability Act (HAA), regulatory agencies review housing projects for consistency with governmental agencies' adopted plans, such as general plans and zoning codes. Under the HAA, a "reasonable person" standard is applied to local agencies' determinations, which prohibits a local agency from denying or conditioning a housing project based on subjective interpretations of local regulations. If substantial evidence exists such that a reasonable person could determine a project is consistent with applicable plans or zoning, it must be deemed consistent as a matter of law, regardless of a local agency's decision. If a local agency reaches a different conclusion than a reasonable person would, based on the evidence, its decision may be overturned in court. Courts are not required to defer to the agency's interpretation and can compel project approval if the evidence supports consistency.

Existing law, the Permit Streamlining Act (PSA), requires state and local public agencies to act fairly and promptly on applications for development permits. Public agencies must compile lists of information that applicants must provide and explain the criteria they will use to review permit applications. Public agencies generally have 30 days to determine whether applications for development projects are complete and accepted for filing; failure to act results in an application being "deemed complete." Once a complete application has been submitted, the Act requires public officials to act within a specific time period after completing any environmental review documents, ranging from 60 to 180 days depending on the project and environmental review required. If the local agency fails to approve or disapprove the applications within the specified timeframes, the application is "deemed approved," and the applicant may file suit in state court to compel the local agency to issue a permit.

Proposed Law: AB 1710 bill would specify, for purposes of the PSA, that a housing development project or emergency shelter is deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, or requirement adopted or implemented by a public agency, if there is substantial evidence that would allow a reasonable person to reach that conclusion, as specified. This expansion of the reasonable person standard would not apply to any portion of a housing development project that is designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging, as specified.

Related Legislation: AB 1276 (Carrillo), which was held on this Committee's Suspense File last year, included provisions that were identical to this bill.

AB 1515 (Daly), Chap. 368/2017, established the reasonable person standard under the HAA for determining whether a proposed project is consistent with a local agency's adopted plans and zoning, as specified.

Staff Comments: In regulatory disputes, including land use litigation, courts tend to give deference to public agencies when determining whether a project is consistent with the agency's own standards, unless the court determines the public agency has acted arbitrarily, capriciously, or without evidentiary basis. The HAA requires a housing project to be deemed consistent with a city or county's development standards and policies if a "reasonable person" could find them consistent. As noted in the Senate Local Government Committee's analysis, "This flips the standard so that the developer receives deference, rather than city or county officials. To make it easier to build housing, AB 1710 extends the reasonable person standard to many state and local agency decisions and procedures. That tips the scales in litigation towards the developer, whose interest is in receiving approval for the project, and away from the public agencies, whose interest is the protection of the public." This bill is likely to lead to increased litigation over public agency determinations on housing projects.

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